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US Department of Energy

AN/ALLETE GOMPANY

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Electricity Delivery and Energy Reliability

October 29, 2014

Christopher Lawrence United States Department of Energy Office of Electricity and Energy Reliability 1000 Independence Avenue SW Washington, DC 20585

RE: Minnesota Power's Great Northern Transmission Line

Amendment to Border Crossing

OE Docket No. PP-398

Dear Mr. Lawrence:

On April 15, 2014, Minnesota Power, an operating division of ALLETE, Inc., submitted its Application for a Presidential Permit with the United States Department of Energy (DOE) for the 500 kV Great Northern Transmission Line (GNTL) and associated facilities (Project). The Project is a high voltage transmission line between the province of Manitoba and Minnesota Power's service territory in northern Minnesota. The proposed federal action is the DOE granting of the Presidential Permit for the international border crossing. DOE published the required Notice of Application in the Federal Register. 79 Fed. Reg. 27,587 (May 14, 2014). DOE received no comments or motions to intervene in response to this Notice of Application.

On June 27, 2014 the DOE published its Notice of Intent to Prepare an Environmental Impact Statement (NOI). 79 Fed. Reg. 36,493 (June 27, 2014). The NOI stated that DOE will act as federal joint lead agency with the Minnesota Department of Commerce—Energy Environmental Review and Analysis (DOC-EERA) acting as state joint lead agency under applicable federal regulations and Minnesota law. The DOE and DOC-EERA conducted eight public scoping meetings and solicited comments on the Project from agencies and the public. Minnesota Power is currently providing information to the agencies in response to these scoping comments and route alternatives proposed to be included in the scope of the draft Environmental Impact Statement.

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In the course of Minnesota Power's review and consultation with state and federal agencies, as well as more input with landowners and stakeholders in the vicinity of the proposed border crossing, Minnesota Power has determined that the originally proposed border crossing submitted in its Application is no longer feasible. This border crossing is no longer feasible in part due to the combined effect of constraints associated with future expansion of the Piney-Pinecreek Border Airport and the Roseau River Wildlife Management Area. See Minnesota Department of Transportation Letter to Bill Storm, Minnesota Department of Commerce (August 14, 2014) and Minnesota Department of Natural Resources Letter to Bill Storm, Minnesota Department of Commerce (August 15, 2014). These constraints, along with others noted during scoping, effectively preclude routing of the Project as originally proposed by Minnesota Power.

With this new information, Minnesota Power and Manitoba Hydro have reached an agreement on a new border crossing approximately 4.3 miles to the east of the one previously proposed. Minnesota Power has evaluated and determined that no other border crossings are feasible taking into account environmental, land use and ownership, and transmission reliability constraints on both sides of the border that still meets the stated purpose and need including having the Project in-service by June 1, 2020. Therefore, Minnesota Power is amending its Presidential Permit Application by eliminating the previously proposed border crossing and replacing it with the new, agreed-on border crossing as described below.

The new proposed border crossing for the GNTL Project (Blue and Orange Routes) would originate at the Minnesota-Manitoba border roughly 2.9 miles east of Highway 89 in Roseau County. It would proceed southeast 0.2 miles and then travel south 2.3 miles to 390th Street and turn east following the Blue and Orange Routes as proposed in the April 15, 2014 Application. The attached Amendment to Presidential Permit Map shows Minnesota Power's proposed center line starting at the border crossing and through the proposed route corridor until meeting up with the existing Blue and Orange Routes.

Minnesota Power looks forward to continuing its active engagement for the Great Northern Transmission Line and welcomes further advancement with DOE and other stakeholders of the integrated, inter-agency process. Please contact me if you have any questions or need additional information.

Yours truly,

David R. Moeller Senior Attorney

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Minnesota Power

DRM:sr

Enclosure: Amendment to Presidential Permit Map

cc: MPUC (via eFiling in MPUC Docket No. E015/RP-14-21)